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ABSTRACT

This paper assesses the likely impact of proposed changes in the Office of Postsecondary Education's method of calculating parental base-year income on determining eligibility for student financial aid. In examining applicant data the study concludes that the change to use of prior, prior year (PPY) income is not a good proxy for the current prior year (PY) data. It notes that: (1) at the individual student/family level, PPY either over- or underestimates income for approximately 63 percent of all aid applicants; (2) at the institutional level, almost half the cases will require recalculation of need ; (3) at the state level, many states will be forced to collect PY income on a supplemental form; and (4) at the federal level, the over- or underestimates of income with PPY will create several serious consequences, among them redistribution of federal aid from more needy to less needy families. The report discusses each of these findings in detail. Three appendixes provide: comparative data on Title IV applicant total family income; comparative data on the number and percent of applicants with income changes; and show how the proposed changes would impact upon one public institution. (CH)

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ED 411 758

ANALYSIS OF THE OFFICE OF POSTSECONDARY EDUCATION'S PRIOR, PRIOR YEAR (PPY) INCOME PROPOSAL:

PPY HAS SERIOUS NEGATIVE IMPLICATIONS FOR EQUITY, BURDEN AND PROGRAM INTEGRITY

BRIEFING PAPER

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Advisory Committee on Student Financial Assistance

September 1997

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EXECUTIVE SUMMARY

The purpose of this paper is to assess the likely impact of the Office of Postsecondary Education's (OPE) prior, prior year income (PPY) proposal. In its latest form, this proposal would alter the free federal form, the federal Title IV data base and the Federal Methodology by substituting the collection and use of prior year income (PY)--commonly referred to as base year income--for the year previous to the base year or PPY income. While PPY income would still be collected on existing paper forms, the expected advantages cited for such a change are lower error rates in the income figures used in determining federal awards and freedom from verification burden for institutions.

Thus far, any unintended effects of using PPY on equity, the distribution of federal aid, and the efficiency and integrity of federal delivery have been described as minimal and acceptable. This conclusion has been accepted because many feel that PPY income is a good proxy for PY or base year income. Indeed, Appendix A, containing representative national applicant data, has been offered by OPE as evidence of the close relationship between PPY and PY.

Unfortunately, closer inspection of OPE's applicant data suggest quite the opposite. The data show clearly that PPY income is *not* a good proxy for PY income and suggest that its use would have major, negative effects on students, institutions, states and the federal government. In particular, our analysis of the OPE data indicates the following:

- at the individual student/family level, PPY over- or underestimates PY income to a moderate or significant degree for approximately 63 percent of *all* aid applicants--both dependent and independent students;

- at the institutional level, an *unacceptably large* number of cases that unfairly alter aid eligibility and create significant increases in unmet aggregate need--cases which are unpredictable a priori--will require collection of PY from all applicants, and recalculation of need for almost half, resulting in *increased* institutional burden;

- at the state level, due to concern about fairness and out year budget exposure, many states will not use the PPY on the federal form and in the federal data base and will be forced to *collect PY income on a supplemental state form*; and

- at the federal level, PPY over- or underestimates PY income in excess of $47 billion, creating serious consequences for redistribution of federal aid *from more needy to less needy* families, preservation of an integrated delivery system, major implications for program and system integrity, as well as significant out year budget exposure.

Furthermore, these unintended effects would be exacerbated by OPE's corollary proposal to impute parental and student assets rather than collect them on the federal form. Imputation of

assets is a natural outgrowth of the PPY proposal because collection of PPY (two-year-old) asset data is not feasible; and the collection and use of PY assets would amount to double counting.

The overall conclusion of this paper is that, because of its negative effects and its requirement to ignore or impute assets, the PPY proposal should be rejected. It is possible to secure the proposal's intended advantages by simply matching PY income with the IRS--as recommended by the Inspector General (IG) in its reauthorization proposal. This approach has been used traditionally and successfully by several states to reduce income reporting error.

BACKGROUND

The Office of Postsecondary Education (OPE) is recommending "moving the base year back one year to allow for an earlier and simpler application process" as part of its reauthorization proposals. This recommendation, otherwise known as prior, prior year (PPY), would substitute PPY income for the prior year (PY) income currently reported on the FAFSA and used to calculate federal aid eligibility as required under Part F of the Higher Education Act. For example, a student that filed a FAFSA for the 1996-97 academic year, would have reported parental adjusted gross income for the tax year 1994 (PPY) as opposed to 1995 (PY) under current law.

In its earliest form, OPE's PPY proposal called for retrieving data from the IRS to achieve the objectives of: simplifying the application process by removing income from the FAFSA; reducing burden for schools by eliminating verification; and improving accountability by eliminating reporting error. However, in the revised proposal PPY will be collected on the FAFSA. Without retrieving IRS data, the benefits of reducing burden, verification and reporting errors are greatly diminished.

Proposing a change to the most fundamental element of the financial aid programs requires careful evaluation of its impact on all dimensions of the programs--the participants, application forms and processes, delivery, program management and systems. The considerations for evaluating PPY's impact on ensuring equal access for low- and middle-income students include:

- Is it fair for students and families?
- How will it impact aid eligibility and burden at institutions?
- Will it require modification of state aid processes?
- How will it affect the federal goals of equal access, integrated delivery and program and system integrity?
- What is the potential budget impact?

OPE examined its own applicant data from 1995 and 1996 (see Appendix A) and concluded that PPY income could be substituted for PY income without major redistribution of federal student aid or impact on the delivery system. This conclusion was apparently based on an analysis that minimized considerable cross-year variation in income by simply netting income increases against income decreases, disregarding the actual effects on the calculated need of students and their families.

This paper reexamines the same data (see Appendix B), carefully distinguishing between applicants showing income increases and income decreases across the two years. Then, data from the Department of Education Title IV Central Processor Applicant Data Report for 1996-97 are used, along with the frequency distributions and means from OPE's analysis, to estimate the impact on the entire population of aid applicants.

In addition, the paper evaluates the impact of PPY on students and families, institutions, states and the federal programs based on the data findings and the criteria for ensuring equal access. Finally, the paper examines the effects of PPY when coupled with OPE's corollary proposal to impute assets.

IMPACT ON STUDENTS AND FAMILIES

Careful analysis of OPE's data demonstrates that PPY is an extremely poor proxy for PY income *across all student types*. Its use would result in the inequitable treatment for at least 45 percent of all aid applicants and a major redistribution of aid awards. At the aggregate level, Table 1 indicates PPY misestimates PY income for all 1996-97 applicants by approximately $47 billion.

For 40 percent of applicants whose income changes significantly, PPY overestimates income in excess of $17.5 billion. This overestimate averages $11,100 per applicant. For these students and families, the erroneously high EFC based on PPY income decreases their calculated need and thus tends to greatly reduce federal financial aid. On the other hand, PPY significantly underestimates income for 60 percent of applicants on average by $10,800. In total, these applicants gain a windfall in aid eligibility based on an underestimate of income of over $26.4 billion.

Dependent Students

Substituting PPY for PY misestimates parental income for 45 percent of dependent student applicants by approximately $27 billion. Income is overestimated for 35 percent of applicants with significant income changes--by $14,090 on average. PPY overestimates PY income by more than $9 billion in total. For the 65 percent whose income is underestimated--on average by $12,801--the total underestimate is in excess of $16 billion.

For over 51 percent of dependent students in the $40,000 to $60,000 income range, prior, prior year (PPY) overestimates prior year (PY) income by over $12,000 on average. At the lowest marginal contribution rate, this difference would translate into a potential change in need and eligibility of over $2,000.

In addition to significant income changes, OPE's data suggest that for dependent student families 55 percent remain in the same income range--e.g., within $30,000 to $40,000--for both PPY and PY. PPY underestimates PY income by $1,165 on average for these families. However, this underestimate does not differentiate between families whose income declines from those whose income increases within this $10,000 range. Closer analysis reveals that a large portion have moderate income changes between $5,000 to $10,000 that result in misestimation of income when using PPY. Our analysis approximates that PPY either over- or underestimates income for an additional 18 percent of all dependent student applicants. Thus, perhaps as many as 63 percent of aid applicants experience income changes between PPY and PY.

Independent Students with Dependents

PPY also misestimates PY income for 35 percent of independent students with dependents by over $9 billion. PPY overestimates income for 40 percent of these applicants by more than $3

Table 1
Summary of Significant Income Changes
between 1995-96 and 1996-97 Aid Applicants

	Dependent	Independent with Dependents	Independent without Dependents
Total Significant Income Changes			
Amount	**$27.7 bil***	**$9.3 bil**	**$10.3 bil**
Percent of Applicants	**45%**	**35%**	**56%**
Significant Overestimate in Income			
Amount	$9.4 bil	$3.5 bil	$4.7 bil
Percent of Income Changes	35%	40%	46%
Average Overestimate	$14,090	$10,560	$7,546
Signficant Underestimate in Income			
Amount	$15.6 bil	$5.0 bil	$5.4 bil
Percent of Income Changes	65%	60%	54%
Average Underestimate	$12,800	$9,675	$7,313

*Total dollar amounts are estimates based on applicant population.

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billion in total. For the individual student, this overestimate averages $10,560. Of the remaining 60 percent with significant income changes, the PPY underestimate totals in excess of $5 billion--by $9,675 on average.

Furthermore, one third of independent students had incomes within a range of zero to $10,000 for both years. In all likelihood, PPY over- or underestimates income for some of these students enough to significantly impact their aid eligibility. Because the Department distribution tables combine both increasing and decreasing income up to $10,000, the total misestimation of income cannot be determined.

Independent Students without Dependents (other than a spouse)

Finally, PPY also misestimates PY income for 56 percent of independent applicants without dependents by over $10 billion. Of these applicants, PPY overestimates income for 46 percent by $7,546 on average, the total overestimate is in excess of $4 billion. For the remaining 54 percent, PPY underestimates PY income by $7,313 on average--more than $5 billion in total.

For 56 percent of these independent students in the $5,000 to $10,000 income range, prior prior year (PPY) income over- or underestimates prior year (PY) income by more than $5,000 on average. Even at the lowest marginal contribution rate, this difference would translate into a potential change in need and eligibility of over $1,000.

IMPLICATIONS FOR INSTITUTIONS

The negative impact of the use of PPY on individual students and families has important repercussions for institutions, resulting in an unacceptably large number of cases that unfairly alter students' aid eligibility and create significant increases in unmet aggregate need. Indeed, over half of all cases would require intervention by aid administrators to ensure the same level of equitable treatment for students that now exists. For example, a public institution with 10,000 dependent applicants and 5,000 independent applicants could expect to adjust aid eligibility for at least 7,245 students (see Appendix C).

Under the PPY proposal, in over 48 percent of cases, an institution would be packaging a student for whom PPY income, need and eligibility differ significantly from PY income, need and eligibility.

In the absence of intervention, 2,846 students would lose considerable eligibility: PPY overestimates income for 1,573 dependent students by $14,900 on average; and 1,273 independent students on an average of $7,750.

On the other hand, PPY underestimates income for 2,882 dependent student families on an average of $12,904; and 1,518 independent students would experience an undeserved windfall based on an underestimate of income of $7,285 on average.

Finally, even for the remaining 7,755 students, as many as 2,500 could have income changes that require adjusting their eligibility determination. However, the average amount of the income change cannot be estimated from OPE's data. These students will most likely have income changes between $5,000 and $10,000.

Assuming that the financial aid administrator intervenes by substituting PY income to hold harmless only those students and parents whose incomes decline, aggregate need for this campus would increase by approximately $22 million. In the absence of additional federal resources to meet this increase in need, the majority of students would see aid packages falling far short of their expectations based on an inflated need figure based on PPY.

If an institution intervenes only to adjust those cases in which PPY income significantly overestimates PY income, and ignores cases in which PPY income significantly underestimates PY income, aggregate need at the institution would increase dramatically with no increase in available resources.

From an operational standpoint, the frequency and size of income changes between PPY and PY--48 percent of all aid applicants--would overload most existing professional judgement processes for recalculating need and verifying the adjustments. Fair treatment and prudent administration of aid funds demands that the responsibility for correction cannot rest solely on self-reporting by students and families since families who gain under PPY would not be inclined to report income increases. Thus, an automated institutional process based on PY income would be required to avoid a $22 million increase in need.

If an institution intervenes in every case in which PY income differs significantly from PPY income, over 48 percent of cases would require recalculation.

However, since the federal system would not have PY data under OPE's proposal, and since the aid administrator cannot know ahead of time which students will show income changes, a separate form collecting PY income would be required from *all* aid applicants. Thus, the advantage of the PPY proposal--to eliminate the need for collecting and verifying PY income--is completely lost. Ultimately, PPY would result in a significant *increase* in burden at the institutional level.

Whether an institution intervenes only to protect those whose income has decreased significantly, or also to adjust for those whose income has increased significantly, PY income would have to be collected on a separate form for ALL applicants.

For the reasons above, and because most aid administrators will not use PPY income for distribution of federal aid, let alone their institution's own funds, both PPY and PY income figures would be collected from most, if not all, aid applicants. Unless strictly regulated, the presence of two conflicting income estimates would have great potential for undermining the uniform treatment of an individual students across institutions as well as increasing verification burden for institutions.

IMPLICATIONS FOR STATES

States will have to decide if PPY is a fair measure to award state aid, and if it is not, what mechanisms they will use to continue to collect PY income. States are opposed to using PPY for determining aid eligibility, and are concerned that any changes to the FAFSA have equity issues that have significant budgetary impact. The National Association of State Student and Grant Aid Program has conducted research that indicates the PY-based FAFSA is necessary for the administration of $3 billion of state need-based aid for nearly two million students.

States would not use a PPY income figure that not only undermines the appearance of accuracy and fairness but also leads to out year budget exposure.

The increase in need associated with PPY suggests that most states would not use the income data on the federal form (and in the federal data base) and would be forced to collect PY income on a separate state form. The result would be states abandoning the federal delivery system and a proliferation of supplemental forms creating unnecessary complexity similar to the situation prior to the 1992 amendments when there were 33 different state aid applications. Since the 1992 amendments, only 450,000 of 10 million students rely on a fee-based supplemental form and 49 of the states have abandoned supplemental forms. All states use the federal form and data and only one continues to require a state form, although that form is free to the applicant. Removing PY from the federal form, or any data element integral to states, would be a major setback in streamlining and integrating student aid delivery for both state and federal student aid programs.

States, confronted with a federal form collecting PPY income, would collect PY income on a separate state form.

New York State Higher Education Services Corporation (HESC) sent a letter to Congressman Goodling opposing any modifications to the FAFSA, including PPY income, that would force the use of multiple forms. HESC requested that the Department consider state partnerships issues when evaluating restructuring proposals for the delivery system.

Additionally, HESC suggested that an IRS-based income verification would be more useful using PY income. It referenced a New York State income tax verification process that has successfully reduced errors on the state supplemental form. This is consistent with the recommendation of the IG to match with IRS using PY income.

IMPLICATIONS FOR FEDERAL POLICY

The most important policy considerations for the federal system are determining if the use of PPY maintains access for the neediest students, preserves the federal delivery system, enhances program and system integrity, and minimizes any out year budget exposure. The use of PPY income has the potential for immense redistributive effects from more needy to less needy families with profound repercussions for the long-term health of the Title IV programs. To avoid these redistributive effects for their own aid funds, states and institutions would be forced to collect PY income in the absence of any effort at the federal level to do so--undermining a single, integrated delivery system. Furthermore, federal program and system integrity would be severely eroded if the validity of the fundamental data element is compromised; that is, if the federal system is forced to collect and store an income measure that no one will use and one that bears little relation to individual student awards.

The use of PPY over- or underestimates income by $47 billion, significantly affecting the distribution of aid for 45 percent of all applicants. This is contrary to the federal role of equal access because it redistributes aid from more needy to less needy students. Of the applicants with significant income changes, 40 percent would have less aid eligibility and less resources to pay for postsecondary education under PPY.

Since the use of PPY income tends to redistribute eligibility from more needy to less needy students, its use would undermine the federal pursuit of equal access.

The use of PPY would have devastating effects on what is now a national delivery system for federal, state and institutional aid. States and institutions that would not use PPY to deliver their own aid would have to obtain this information through alternative mechanisms since the FAFSA would not contain PY data. Supplemental forms collecting the income data necessary for states and institutions would proliferate. This would make the federal application and delivery process largely irrelevant, undermining an integrated delivery system. Furthermore, it would add complexity and burden for students to fill out additional, possibly fee-based forms creating systematic barriers to access.

Many institutions and most states would find it necessary not only to collect PY income but also to use it--instead of PPY income--as the basis for awards. The free federal form (FAFSA) would no longer contain the data necessary for delivering most federal, state and institutional aid.

Furthermore, the federal system would not control which income is used to determine aid eligibility creating large fluctuations in awards between institution opening the doors for fraud and abuse. This lack of accountability at the federal level for who receives how much aid would undermine congressional and public support. For instance, there would be little public faith in the fairness of the aid programs when thousands of students could receive a Pell award based on two-year-old data when their income has increased by $30,000, $40,000 or more in subsequent years, particularly when states and institutions use more current income to award their aid. Plus, the federal system would have no way of identifying which students and families had significant income changes.

The presence of both PPY income and PY income in individual student records, and their differential use across institutions and programs, will undermine uniformity in the federal treatment of needy students and public perceptions of program fairness.

Thus, the federal system would lose control of the most basic measure of eligibility determination in the federal methodology and its method of collection--eroding program and system integrity. If institutions were allowed to correct aid eligibility to maintain equity under PPY, the federal system would have to implement a process to collect and monitor what data was used to award aid in order to maintain program integrity. The oversight process for these award changes would increase complexity and burden, without improving the fairness of allowing different aid awards for similar students.

Unless institutions are required to upload all adjustments based on PY income including the PY income figure, the federal student aid data base will not contain the information upon which federal awards were actually made.

While PPY may be an easily verified data element, particularly if coupled with an IRS data match, it does not appreciably increase the overall accuracy of all of the income data collected. The IG found a 4.4 percent error rate in income reported on the FAFSA when it conducted a data match with IRS. However, the most problematic, error-prone and difficult-to-verify items--non taxable income, household size and number in college--remain on the form. The assertions that PPY would "eliminate verification," taken at face value, implies that the inaccuracy of these other data elements would be ignored, degrading program integrity. If the inaccuracy is not ignored, then

the proposal merely eliminates from the form the data item that is simplest to understand ("go to line 38 of the IRS form and copy it onto the FAFSA"), the least error-prone (3.4 percent in the last national study), and the easiest to verify (give me your tax form).

PPY potentially has enormous budget implications unless the delivery system can accurately identify all gains and losses for individual applicants under PPY. The propensity is for families to seek recourse if they unfairly lose aid eligibility, whereas, families who gain by the system will not. In effect, all corrections will be one-sided--ballooning the overall demand for all types of aid based on more than $47 billion in income. Obviously, the federal system cannot afford modifications that only serve to increase aid eligibility. The application process will have to accommodate both the increase in aggregate need for families where PPY underestimates income, as well as equity adjustments to need for families where PPY overestimates income. The only way to protect the federal interest by making equity adjustments for both over- and underestimation of income is to collect PY income, in other words, using the same income data that is used now. Most likely, the greatest budgetary effect will be on subsidized loans but, eventually, PPY will have budgetary implications for all aid programs including the Pell Grant.

CONCLUSION

The PPY proposal, in its current form, will not simplify application processes, eliminate verification or improve accountability. To the contrary, it will result in a major redistribution of aid, a burdensome process to correct the inequities created by large errors in income, budget exposure and diminished program integrity.

The large errors in need would be exacerbated by OPE's corollary proposal to impute parental and student assets rather than collect them on the federal form. Imputation of assets is a natural outgrowth of the PPY proposal because collection of PPY (two-year-old) asset data is not feasible; and the collection and use of PY assets would amount to double counting. However, imputing assets would increase the inequities created by PPY because students and families would not only be held to an unfair treatment of income, but they would be expected to have accumulated assets based on a number that over- or underestimates income in the majority of cases. However, even if imputation were feasible, the significant cross-year variation in income between PPY and PY indicates that an asset number cannot be reasonably determined.

As an alternative to PPY, the objectives of reducing burden and improving accountability can be achieved through a match of PY income reported on the FAFSA to the IRS. The IG has made such a recommendation in its reauthorization proposal. Thus, the most valid measure of income, PY, is retained in the Title IV data base. Continuing to use PY income will avoid the problems that are created by PPY. Students and families can be assured a fair eligibility determination. Institutions will not be faced with significant increases in aggregate need without federal resources to meet the demand. States will not have to collect PY through additional state forms, and a streamlined and integrated delivery system can be maintained. Finally, the federal system can ensure limited federal funds are targeted to the neediest students with adequate program and

system integrity, and control out year budget expenditures. Furthermore, a data match with PY income would eliminate the error found by the IG.

Several states have implemented a match between income data provided on the FAFSA and state tax data bases. These states have found that this match in conjunction with notification to the applicant that a match with tax records will occur has reduced reporting error to approximately one percent, and results in few adjustments to awards. According to states, the notification that a tax match will occur is one of the most effective mechanisms for obtaining valid reporting of applicant income. The experience of these states are a good indicator of what could be achieved at the federal level.

The PPY proposal should not go forward because it fundamentally undermines access and weakens the federal programs. And, attempts to adjust for the inequities at institutional and state levels undermine federal delivery and program and system integrity. Furthermore, these negative consequences are exacerbated by OPE's recommendation to impute assets. The objectives of simplification and improved accountability can be achieved by pursuing an IRS data match with PY income.

APPENDIX A

DISTRIBUTION OF TITLE IV APPLICANTS
1995-96 TOTAL FAMILY INCOME BY 1996-97 TOTAL FAMILY INCOME
(COMPARISON OF AVERAGE 1995-96 AND 1996-97 TOTAL INCOME)

Prepared by the Department of Education

Dependent Students

Distribution of Title IV Applicants 1995 Total Family Income by 1996-97 Total Family Income
(Comparison of Average 1995-96 and 1996-97 Total Income)

1995 Total Income			1996-97 Total Income: 0-10000	10001-20001	20001-30000	30001-40000	40001-50000	50001-60000	60001-70000	70001-80000	80001-100000	100001+	Table Total
0-10,000		Count	159,980	62,935	15,881	5,117	2,059	1,294	647	353	412	118	288,795
		Table %	8%	3%	1%	0%	0%	0%	0%	0%	0%	0%	12%
	FC_T195	Mean	4,971	6,266	5,664	4,417	4,277	3,402	2,330	1,633	2,955	3,978	5,256
	FC_T196	Mean	5,879	13,819	24,081	34,658	45,198	54,886	65,392	76,939	90,912	114,755	9,452
10,001-20,000		Count	48,054	230,095	76,816	11,822	4,647	1,706	1,059	471	529	471	375,668
		Table %	2%	10%	3%	1%	0%	0%	0%	0%	0%	0%	16%
	FC_T196	Mean	13,836	14,835	16,944	16,131	16,380	15,690	16,550	16,163	17,607	14,273	15,212
	FC_T197	Mean	5,744	15,484	23,130	34,010	44,291	54,592	64,566	74,218	88,613	229,567	17,501
20,001-30,000		Count	14,293	46,936	228,036	73,169	13,881	5,235	1,823	588	647	1,000	385,608
		Table %	1%	2%	10%	3%	1%	0%	0%	0%	0%	0%	16%
	FC_T196	Mean	24,215	23,364	24,462	26,667	25,961	26,163	26,095	25,953	25,181	24,880	24,827
	FC_T197	Mean	4,524	16,451	25,116	33,519	44,100	54,424	64,048	73,302	89,184	189,136	26,768
30,001-40,000		Count	6,176	11,587	40,408	158,337	65,346	12,940	4,294	2,117	1,588	1,235	304,028
		Table %	0%	1%	2%	7%	3%	1%	0%	0%	0%	0%	13%
	FC_T196	Mean	34,985	34,310	33,679	34,510	36,517	36,163	36,040	35,809	36,082	34,936	34,944
	FC_T197	Mean	4,126	15,795	26,263	35,362	43,504	54,027	64,488	74,061	88,797	165,378	36,805
40,001-50,000		Count	4,235	3,706	9,528	35,879	148,221	67,876	13,058	4,117	2,294	1,353	282,266
		Table %	0%	0%	0%	2%	6%	3%	1%	0%	0%	0%	12%
	FC_T196	Mean	44,904	44,017	44,280	43,545	44,453	46,475	45,908	45,064	45,507	45,589	44,909
	FC_T197	Mean	3,426	15,930	25,695	36,216	45,317	53,428	63,936	74,037	88,626	120,879	46,453
50,001-60,000		Count	2,353	2,294	3,058	6,646	27,527	113,577	37,582	12,116	5,176	1,765	234,094
		Table %	0%	0%	0%	0%	1%	5%	2%	1%	0%	0%	10%
	FC_T196	Mean	54,885	54,383	54,553	53,754	53,500	54,313	56,300	56,069	55,468	55,108	54,824
	FC_T197	Mean	3,666	15,290	25,730	35,303	46,559	55,493	63,654	74,158	87,423	134,413	56,586
60,001-70,000		Count	2,117	1,412	2,470	4,294	6,999	23,351	83,345	43,937	10,648	2,941	182,511
		Table %	0%	0%	0%	0%	0%	1%	3%	2%	0%	0%	8%
	FC_T196	Mean	64,865	63,486	64,022	64,353	64,039	63,542	64,287	66,127	66,036	65,868	64,772
	FC_T197	Mean	3,923	15,935	25,286	35,090	46,059	56,213	65,441	73,773	86,153	119,966	65,347
70001-80000		Count	1,000	882	1,000	2,059	2,882	5,235	16,822	80,819	36,937	4,294	121,929
		Table %	0%	0%	0%	0%	0%	0%	1%	3%	2%	0%	5%
	FC_T196	Mean	74,145	74,691	74,315	74,759	73,842	73,769	73,379	74,181	73,884	73,999	74,634
	FC_T197	Mean	4,426	16,538	24,762	35,586	46,447	55,291	66,165	75,473	85,033	116,142	75,163
80,001-100,000		Count	1,529	823	1,118	1,765	2,059	2,706	4,764	13,410	77,286	29,409	134,869
		Table %	0%	0%	0%	0%	0%	0%	0%	1%	3%	1%	6%
	FC_T196	Mean	88,016	89,827	90,637	87,885	86,940	87,930	87,117	88,007	87,586	92,265	88,478
	FC_T197	Mean	2,952	14,284	23,976	34,827	44,381	53,754	66,168	73,819	90,135	113,938	88,939
100,001+		Count	529	706	353	1,000	1,000	1,235	2,412	2,941	9,587	76,110	93,873
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	4%
	FC_T196	Mean	128,477	139,666	143,840	190,439	121,579	115,490	176,713	119,450	113,829	132,572	131,728
	FC_T197	Mean	2,360	16,340	23,713	35,709	43,646	54,807	65,494	75,812	92,272	139,474	125,384
Table Total		Count	280,266	361,376	380,668	300,088	266,620	235,153	184,805	132,869	165,103	116,694	2,603,643
		Table %	12%	15%	16%	13%	11%	10%	8%	6%	6%	5%	100%
	FC_T196	Mean	10,342	16,376	24,728	34,403	43,127	51,922	61,860	69,815	81,611	113,909	40,838
	FC_T197	Mean	3,079	15,326	24,818	34,944	44,937	54,851	64,822	74,739	88,768	132,504	42,669

A2

Independent Students with Dependents

Distribution of Title IV Applicants 1995 Total Family Income by 1996-97 Total Family Income
(Comparison of Average 1995-96 and 1996-97 Total Income)

1995 Total Income			1996-97 Total Income: 0-10,000	10,001-20,001	20,001-30,000	30,001-40,000	40,001-50,000	50,001-60,000	60,001-70,000	70,001-80,000	80,001-100,000	100,001+	Table Total
0-10,000		Count	373,492	90,873	9,058	1,706	353	176	118	59	118	294	476,246
		Table %	32%	8%	1%	0%	0%	0%	0%	0%	0%	0%	41%
	FC_TI95	Mean	4,677	6,425	6,033	4,369	4,936	1,813	1,529	6,953	4,272	2,155	5,032
	FC_TI96	Mean	4,983	13,459	23,631	33,380	46,383	53,851	65,852	71,526	95,318	204,860	7,276
10,001-20,000		Count	58,641	181,629	54,759	5,764	1,059	529	176	0	176	118	302,852
		Table %	5%	16%	5%	1%	0%	0%	0%	0%	0%	0%	26%
	FC_TI95	Mean	13,439	14,532	16,422	16,626	15,993	16,302	13,774	0	13,402	14,460	14,709
	FC_TI96	Mean	6,091	15,186	22,860	33,372	44,703	52,693	64,239	0	88,136	138,331	15,446
20,001-30,000		Count	10,822	30,703	109,224	31,409	4,294	1,118	353	118	0	59	188,099
		Table %	1%	3%	9%	3%	0%	0%	0%	0%	0%	0%	16%
	FC_TI95	Mean	23,747	23,324	24,140	26,539	25,830	25,949	24,514	24,452	0	27,803	24,436
	FC_TI96	Mean	5,323	16,364	24,848	33,214	43,541	54,562	67,028	74,314	0	118,790	24,480
30,001-40,000		Count	2,412	5,705	17,175	44,054	16,645	1,823	471	235	176	59	88,756
		Table %	0%	1%	2%	4%	1%	0%	0%	0%	0%	0%	8%
	FC_TI95	Mean	33,683	34,504	33,279	34,112	36,205	35,817	36,375	36,824	34,622	39,106	34,415
	FC_TI96	Mean	4,941	15,856	26,015	34,867	43,997	52,913	65,352	72,777	86,712	391,060	33,799
40,001-50,000		Count	765	1,412	2,882	8,058	22,351	8,999	1,176	118	176	118	46,054
		Table %	0%	0%	0%	1%	2%	1%	0%	0%	0%	0%	4%
	FC_TI95	Mean	44,785	43,922	43,975	43,361	44,562	46,093	46,232	49,225	46,346	44,851	44,661
	FC_TI96	Mean	3,565	15,691	26,053	35,794	45,115	53,560	62,980	75,318	90,118	110,113	43,222
50,001-60,000		Count	294	59	1,176	1,765	4,353	9,411	4,705	2,235	529	59	24,586
		Table %	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	2%
	FC_TI95	Mean	54,356	54,145	54,686	53,844	53,429	54,390	55,760	55,884	54,902	57,601	54,599
	FC_TI96	Mean	4,735	13,759	25,792	35,293	46,179	55,061	63,531	74,648	86,990	103,973	56,157
60,001-70,000		Count	59	235	294	706	1,176	2,529	6,648	2,529	765	235	15,175
		Table %	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	1%
	FC_TI95	Mean	61,666	65,762	63,400	65,071	62,907	63,381	64,229	65,830	66,718	64,738	64,422
	FC_TI96	Mean	5,877	14,689	25,056	36,933	45,833	55,630	65,300	76,344	87,064	117,697	62,481
70001-80000		Count	118	0	176	118	471	529	941	3,294	1,823	294	6,764
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
	FC_TI95	Mean	72,905	0	70,804	76,355	75,779	72,337	74,376	74,106	76,160	74,430	74,619
	FC_TI96	Mean	4,543	0	23,144	35,304	44,724	54,802	65,614	74,673	86,012	239,721	76,758
80,001-100,000		Count	0	0	118	176	176	412	471	882	3,764	1,000	6,999
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
	FC_TI95	Mean	0	0	81,452	95,711	91,808	89,497	87,618	88,244	89,160	91,301	89,404
	FC_TI96	Mean	0	0	23,017	34,358	44,611	55,141	64,493	75,697	89,033	116,707	81,301
100,001+		Count	0	59	176	59	176	118	0	118	706	1,529	2,941
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	FC_TI95	Mean	0	106,062	117,878	110,798	405,736	109,290	0	125,825	120,518	137,819	145,780
	FC_TI96	Mean	0	13,510	25,181	39,746	47,138	59,383	0	73,893	95,398	138,548	105,712
Table Total		Count	446,803	310,675	195,039	93,814	51,054	25,644	15,057	8,587	7,235	3,764	1,157,672
		Table %	39%	27%	17%	8%	4%	2%	1%	1%	0%	0%	100%
	FC_TI95	Mean	6,573	13,593	22,635	31,577	42,273	49,843	58,639	66,583	78,462	94,017	17,580
	FC_TI96	Mean	5,136	14,811	24,358	34,301	44,727	54,375	64,594	74,545	88,880	166,191	18,443

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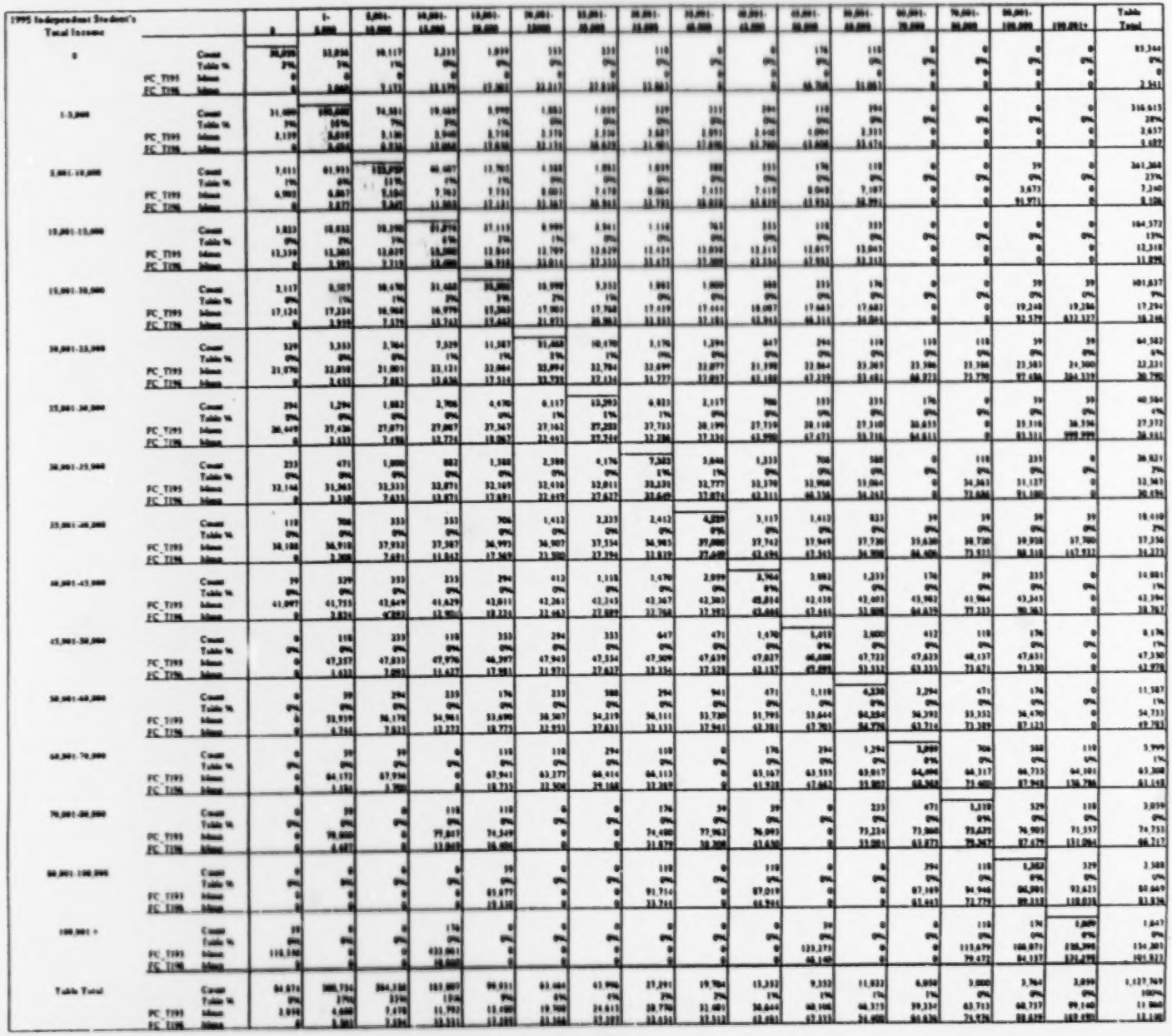
Independent Students without Dependents (other than a spouse)

Distribution of Title IV Applicants 1995 Total Family Income by 1996-97 Total Family Income
(Comparison of Average 1995-96 and 1996-97 Total Income)



1996-97 Total Income

1995 Independent Student's Total Income			0	1-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]-[illegible]	[illegible]	Table Total
0		Count	36,[illegible]	33,[illegible]	10,[illegible]	3,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	83,[illegible]
		Table %	3%	3%	1%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	PC_T395	Mean	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	EC_T396	Mean	0	2,[illegible]	5,[illegible]	13,[illegible]	21,[illegible]	32,[illegible]	27,[illegible]	33,[illegible]	0	0	46,[illegible]	51,[illegible]	0	0	0	0	0	2,[illegible]
1-5,000		Count	31,[illegible]	105,[illegible]	34,[illegible]	19,[illegible]	5,[illegible]	1,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	316,[illegible]
		Table %	3%	10%	3%	2%	1%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	29%
	PC_T395	Mean	2,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	0	0	0	0	0	3,[illegible]
	EC_T396	Mean	0	3,[illegible]	6,[illegible]	12,[illegible]	17,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	0	0	41,[illegible]	53,[illegible]	0	0	0	0	0	5,[illegible]
5,001-10,000		Count	7,[illegible]	61,[illegible]	133,[illegible]	46,[illegible]	13,[illegible]	4,[illegible]	1,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3,[illegible]	[illegible]	261,[illegible]
		Table %	1%	6%	11%	3%	1%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	23%
	PC_T395	Mean	6,[illegible]	6,[illegible]	7,[illegible]	7,[illegible]	7,[illegible]	8,[illegible]	7,[illegible]	8,[illegible]	7,[illegible]	8,[illegible]	7,[illegible]	8,[illegible]	0	0	0	3,[illegible]	0	7,[illegible]
	EC_T396	Mean	0	3,[illegible]	5,[illegible]	11,[illegible]	17,[illegible]	21,[illegible]	26,[illegible]	31,[illegible]	33,[illegible]	35,[illegible]	41,[illegible]	42,[illegible]	0	0	0	31,[illegible]	0	5,[illegible]
10,001-15,000		Count	3,[illegible]	18,[illegible]	19,[illegible]	21,[illegible]	27,[illegible]	8,[illegible]	2,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	104,[illegible]
		Table %	0%	2%	3%	2%	3%	1%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	13%
	PC_T395	Mean	12,[illegible]	12,[illegible]	12,[illegible]	12,[illegible]	12,[illegible]	12,[illegible]	12,[illegible]	13,[illegible]	12,[illegible]	13,[illegible]	12,[illegible]	13,[illegible]	0	0	0	0	0	12,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	12,[illegible]	16,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	0	0	0	0	0	11,[illegible]
15,001-20,000		Count	3,[illegible]	8,[illegible]	10,[illegible]	11,[illegible]	15,[illegible]	10,[illegible]	3,[illegible]	1,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	39	39	39	[illegible]	101,[illegible]
		Table %	0%	1%	1%	2%	3%	2%	1%	0%	0%	[illegible]	[illegible]	[illegible]	[illegible]	0%	0%	0%	[illegible]	3%
	PC_T395	Mean	17,[illegible]	17,[illegible]	16,[illegible]	16,[illegible]	17,[illegible]	17,[illegible]	17,[illegible]	17,[illegible]	17,[illegible]	17,[illegible]	18,[illegible]	17,[illegible]	0	0	19,[illegible]	19,[illegible]	19,[illegible]	17,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	12,[illegible]	17,[illegible]	21,[illegible]	26,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	54,[illegible]	0	0	32,[illegible]	632,[illegible]	[illegible]	18,[illegible]
20,001-25,000		Count	329	3,[illegible]	3,[illegible]	2,[illegible]	11,[illegible]	11,[illegible]	10,[illegible]	3,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	39	39	[illegible]	64,[illegible]
		Table %	0%	0%	0%	1%	1%	1%	1%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0%	0%	[illegible]	3%
	PC_T395	Mean	21,[illegible]	22,[illegible]	21,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	21,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	22,[illegible]	24,[illegible]	[illegible]	22,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	12,[illegible]	17,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	57,[illegible]	62,[illegible]	72,[illegible]	97,[illegible]	364,[illegible]	30,[illegible]
25,001-30,000		Count	294	1,[illegible]	1,[illegible]	2,[illegible]	4,[illegible]	6,[illegible]	[illegible]	6,[illegible]	2,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	39	39	[illegible]	40,[illegible]
		Table %	0%	0%	0%	0%	0%	1%	[illegible]	1%	0%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0%	0%	[illegible]	3%
	PC_T395	Mean	26,[illegible]	27,[illegible]	27,[illegible]	27,[illegible]	27,[illegible]	27,[illegible]	[illegible]	27,[illegible]	27,[illegible]	28,[illegible]	27,[illegible]	28,[illegible]	27,[illegible]	28,[illegible]	28,[illegible]	28,[illegible]	28,[illegible]	27,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	12,[illegible]	18,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	57,[illegible]	64,[illegible]	0	83,[illegible]	999,999	38,[illegible]
30,001-35,000		Count	233	471	1,[illegible]	882	1,[illegible]	2,[illegible]	4,[illegible]	7,[illegible]	3,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	0	118	233	0	26,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2%
	PC_T395	Mean	32,[illegible]	31,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	32,[illegible]	34,[illegible]	31,[illegible]	0	32,[illegible]		
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	12,[illegible]	17,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	57,[illegible]	62,[illegible]	72,[illegible]	91,[illegible]	0	30,[illegible]
35,001-40,000		Count	118	706	333	333	706	1,[illegible]	2,[illegible]	2,[illegible]	4,[illegible]	3,[illegible]	1,[illegible]	823	39	39	39	39	[illegible]	18,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	3%
	PC_T395	Mean	36,[illegible]	36,[illegible]	37,[illegible]	37,[illegible]	36,[illegible]	36,[illegible]	37,[illegible]	36,[illegible]	37,[illegible]	37,[illegible]	37,[illegible]	37,[illegible]	37,[illegible]	38,[illegible]	38,[illegible]	37,[illegible]	37,[illegible]	37,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	11,[illegible]	17,[illegible]	21,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	57,[illegible]	64,[illegible]	73,[illegible]	88,[illegible]	157,[illegible]	34,[illegible]
40,001-45,000		Count	39	329	333	333	294	412	1,[illegible]	1,[illegible]	2,[illegible]	3,[illegible]	2,[illegible]	1,[illegible]	176	39	333	0	[illegible]	14,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	1%
	PC_T395	Mean	41,[illegible]	41,[illegible]	42,[illegible]	41,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	42,[illegible]	43,[illegible]	43,[illegible]	43,[illegible]	0	42,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	12,[illegible]	17,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	57,[illegible]	64,[illegible]	77,[illegible]	90,[illegible]	0	33,[illegible]
45,001-50,000		Count	0	118	333	118	333	294	333	647	471	1,[illegible]	[illegible]	2,[illegible]	412	118	176	0	0	6,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	0%	0%	0%	0%	0%	0%	1%
	PC_T395	Mean	0	47,[illegible]	47,[illegible]	47,[illegible]	46,[illegible]	47,[illegible]	47,[illegible]	47,[illegible]	47,[illegible]	47,[illegible]	[illegible]	47,[illegible]	47,[illegible]	48,[illegible]	47,[illegible]	47,[illegible]	0	47,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	11,[illegible]	17,[illegible]	21,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	[illegible]	53,[illegible]	63,[illegible]	73,[illegible]	91,[illegible]	0	0	12,[illegible]
50,001-60,000		Count	0	59	294	333	176	333	588	294	941	471	1,[illegible]	4,[illegible]	2,[illegible]	471	176	0	0	11,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
	PC_T395	Mean	0	53,[illegible]	56,[illegible]	54,[illegible]	53,[illegible]	58,[illegible]	54,[illegible]	56,[illegible]	53,[illegible]	51,[illegible]	53,[illegible]	[illegible]	54,[illegible]	53,[illegible]	56,[illegible]	0	0	54,[illegible]
	EC_T396	Mean	0	4,[illegible]	7,[illegible]	12,[illegible]	17,[illegible]	22,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	54,[illegible]	63,[illegible]	73,[illegible]	87,[illegible]	0	0	13,[illegible]
60,001-70,000		Count	0	59	59	0	118	118	294	118	0	176	294	1,[illegible]	[illegible]	588	118	0	0	3,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	[illegible]	[illegible]	0%	0%	0%	1%
	PC_T395	Mean	0	64,[illegible]	67,[illegible]	0	67,[illegible]	63,[illegible]	66,[illegible]	66,[illegible]	0	63,[illegible]	63,[illegible]	63,[illegible]	64,[illegible]	64,[illegible]	64,[illegible]	64,[illegible]	0	63,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	0	18,[illegible]	23,[illegible]	29,[illegible]	34,[illegible]	0	43,[illegible]	47,[illegible]	53,[illegible]	63,[illegible]	73,[illegible]	87,[illegible]	136,[illegible]	0	61,[illegible]
70,001-80,000		Count	0	59	0	118	118	0	0	176	59	59	0	235	471	[illegible]	529	118	[illegible]	3,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	0%	0%	[illegible]	0%
	PC_T395	Mean	0	78,[illegible]	0	77,[illegible]	74,[illegible]	0	0	74,[illegible]	77,[illegible]	76,[illegible]	0	73,[illegible]	73,[illegible]	73,[illegible]	76,[illegible]	73,[illegible]	0	74,[illegible]
	EC_T396	Mean	0	4,[illegible]	0	13,[illegible]	18,[illegible]	0	0	31,[illegible]	38,[illegible]	43,[illegible]	0	53,[illegible]	63,[illegible]	73,[illegible]	87,[illegible]	111,[illegible]	0	66,[illegible]
80,001-100,000		Count	0	0	0	0	59	0	0	118	0	118	0	0	0	294	118	[illegible]	529	2,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	0%	0%
	PC_T395	Mean	0	0	0	0	83,[illegible]	0	0	91,[illegible]	0	97,[illegible]	0	0	0	97,[illegible]	94,[illegible]	86,[illegible]	93,[illegible]	88,[illegible]
	EC_T396	Mean	0	0	0	0	19,[illegible]	0	0	33,[illegible]	0	43,[illegible]	0	0	0	63,[illegible]	73,[illegible]	89,[illegible]	110,[illegible]	83,[illegible]
100,001 +		Count	59	0	0	176	0	0	0	0	0	0	59	0	0	118	176	[illegible]	[illegible]	1,[illegible]
		Table %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	[illegible]	[illegible]	1%
	PC_T395	Mean	110,[illegible]	0	0	433,[illegible]	0	0	0	0	0	0	123,[illegible]	0	0	113,[illegible]	108,[illegible]	235,[illegible]	154,[illegible]	
	EC_T396	Mean	0	0	0	15,[illegible]	0	0	0	0	0	0	48,[illegible]	0	0	79,[illegible]	94,[illegible]	121,[illegible]	101,[illegible]	
Table Total		Count	84,[illegible]	388,[illegible]	364,[illegible]	183,[illegible]	99,[illegible]	63,[illegible]	43,[illegible]	27,[illegible]	19,[illegible]	13,[illegible]	9,[illegible]	11,[illegible]	6,[illegible]	3,[illegible]	3,[illegible]	3,[illegible]	[illegible]	1,127,[illegible]
		Table %	8%	34%	32%	16%	9%	6%	4%	2%	2%	1%	1%	1%	1%	0%	0%	0%	[illegible]	100%
	PC_T395	Mean	2,[illegible]	4,[illegible]	7,[illegible]	11,[illegible]	13,[illegible]	18,[illegible]	24,[illegible]	28,[illegible]	32,[illegible]	38,[illegible]	48,[illegible]	48,[illegible]	58,[illegible]	68,[illegible]	68,[illegible]	99,[illegible]	[illegible]	11,[illegible]
	EC_T396	Mean	0	3,[illegible]	7,[illegible]	11,[illegible]	17,[illegible]	21,[illegible]	27,[illegible]	32,[illegible]	37,[illegible]	42,[illegible]	47,[illegible]	52,[illegible]	57,[illegible]	64,[illegible]	73,[illegible]	89,[illegible]	[illegible]	13,[illegible]

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APPENDIX B

NUMBER AND PERCENT OF APPLICANTS WITH INCOME CHANGES BETWEEN 1995-96 AND 1996-97 TOTAL FAMILY INCOME BY INCOME LEVEL

This analysis used the Department's PPY analysis tables titled the Distribution of Title IV Applicants 1995-96 Total Family Income by 1996-97 Total Family Income for dependent students, independent students with dependents, and independent students without dependents. These tables use applicant income for tax years ending 1994 and 1995.

The Department tables contain 2.4 million dependent student applicants, 1.2 million independent students with dependents applicants and 1.1 million independent students without dependents (other than a spouse) applicants for a total of 4.7 million. This is 58 percent of the total applicants for 1996-97. It is assumed that these tables are representative of the entire population.

A section of the Department's Table for Dependent Students is in Table 1. These income ranges correspond to the lines bolded and italicized in Table 2. This illustrates how the income increases and decreases were derived from the Department tables. Bolded cells are income changes that did not fall outside the income category specified--for dependent students this is a $10,000 range. In the Department tables (see Appendix A), these are the highlighted cells that fall along the diagonal.

The number of applicants with decreasing income was calculated by counting the number of applicants that fell in a cell that had mean 96 income (1994 tax year income, 95-96 award year) higher than mean 97 income (1995 tax year income, 96-97 award year) by income level. In the Department's tables, these are any of the cells that fall to the left of the boxes along the diagonal. The average income decrease was calculated by taking a weighted average of the difference in mean incomes for each of the cells.

The number of applicants with increasing income was calculated by counting the number of applicants that fell in a cell that had mean 96 income (1994 tax year income, 95-96 award year) lower than mean 97 income (1995 tax year income, 96-97 award year) by income level. In the Department's tables, these are any of the cells that fall to the right of the cells along the diagonal. The average income increase was calculated by taking a weighted average of the difference in mean incomes for each of the cells.

TABLE 1

Department of Education
Distribution of Title IV Applicants 1995-96 Total Family Income by 1996-97 Total Family Income
(Comparison of Average 1995-96 and 1996-97 Total Income)

1995 Total Income	1996 Total Income →	$0-10k	$10-20k	$20-30k	$30-40k	$40-50k	$50-60k	$60-70k	$70-80k	$80-100	$100k+	Table Total
$20-30k	Count	14,293	46,936	*228,036*	73,169	13,881	5,235	1,823	588	647	1,000	385,608
	96 Mean	24,215	23,364	*24,462*	26,667	25,961	26,163	26,095	25,953	25,181	24,880	24,827
	97 Mean	4,524	16,451	*25,116*	33,519	44,100	54,424	64,048	75,302	89,184	189,136	26,768
$30-40k	Count	6,176	11,587	40,408	*158,337*	65,346	12,940	4,294	2,117	1,588	1,235	304,028
	96 Mean	34,985	34,310	33,679	*34,510*	63,517	36,163	36,040	35,809	36,082	34,936	34,944
	97 Mean	4,136	15,795	26,263	*35,362*	43,504	54,027	64,488	74,061	88,797	165,378	36,805
$40-50k	Count	4,235	3,706	9,528	35,879	*140,321*	67,876	13,058	4,117	2,294	1,353	282,266
	96 Mean	44,904	44,017	44,280	43,545	*44,453*	46,475	45,908	45,064	45,507	45,589	44,909
	97 Mean	3,426	15,930	25,695	36,216	*45,317*	53,438	63,934	74,034	88,424	136,879	46,455

Dependent Students

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TABLE 2

Number and Percent of Applicants with Income Changes between 1995-96 and 1996-97 Total Family Income by Income Level

From Distribution of Title IV Applicants 1995-96 Total Family Income by 1996-97 Total Family Income
(Comparison of Average 1995-96 and 1996-97 Total Income)

Income Range	Number decrease income	Percent Decrease	Average Decrease in Mean Income	Number change to ± $10,000	Percent ± $10,000	Net Change in Mean Income	Number increase income	Percent increase	Average increase in Mean Income	Total Applicants
Dependent Students										
$0-10,000	0	n.a.	n.a.	199,980	69.25%	$108	88,815	30.75%	$13,429	
$10,001-20,000	48,054	12.70%	($8,092)	230,095	61.25%	$649	97,521	25.96%	$11,277	
$20,001-30,000	*61,229*	*15.85%*	*($9,896)*	***228,036***	***59.14%***	$654	***96,343***	***24.98%***	***$12,507***	
$30,001-40,000	*58,171*	*19.13%*	*($12,115)*	***158,337***	***52.08%***	$852	***87,520***	***28.79%***	***$12,976***	
$40,001-50,000	*53,348*	*18.90%*	*($13,492)*	***140,221***	***49.68%***	$864	***88,698***	***31.42%***	***$11,669***	
$50,001-60,000	43,878	18.74%	($15,262)	113,577	48.52%	$1,181	76,639	32.74%	$12,370	
$60,001-70,000	40,643	22.27%	($17,580)	82,345	45.12%	$1,154	59,524	32.61%	$12,172	
$70,001-80,000	29,880	24.51%	($18,312)	50,818	41.68%	$1,291	41,231	33.82%	$13,183	
$80,001-100,000	28,174	20.89%	($27,310)	77,286	57.30%	$2,549	29,409	21.81%	$21,673	
Total	**363,377**	**15.73%**	**($14,090)**	**1,280,695**	**55.45%**	**$1,165**	**665,700**	**28.82%**	**$12,801**	**2,309,772**
Independent Students with Dependents										
$0-10,000	0	n.a.	n.a.	373,492	78.42%	$306	102,755	21.58%	$9,281	
$10,001-20,000	58,641	19.36%	($7,348)	181,629	59.97%	$654	62,581	20.66%	$8,555	
$20,001-30,000	41,525	22.08%	($9,948)	109,224	58.07%	$708	37,351	19.86%	$9,209	
$30,001-40,000	25,292	28.50%	($11,880)	44,054	49.64%	$755	19,409	21.87%	$10,951	
$40,001-50,000	13,117	28.48%	($14,029)	22,351	48.53%	$553	10,587	22.99%	$9,955	
$50,001-60,000	7,647	31.10%	($15,072)	9,411	38.28%	$671	7,528	30.62%	$13,026	
$60,001-70,000	4,989	32.94%	($17,226)	6,646	43.80%	$1,071	3,529	23.26%	$14,038	
$70,001-80,000	2,353	34.79%	($22,714)	2,294	33.91%	$573	2,117	31.30%	$31,439	
$80,001-100,000	2,235	37.26%	($27,791)	2,764	46.07%	$772	1,000	16.67%	$23,402	
Total	**155,809**	**13.50%**	**($10,560)**	**751,865**	**65.12%**	**$496**	**246,857**	**21.38%**	**$9,675**	**1,154,531**
Independent Students without Dependents										
$0	0	n.a.	n.a.	38,820	45.52%	$0	46,467	54.48%	$4,670	
$1,000-5,000	31,409	9.92%	($2,139)	180,688	57.08%	($94)	104,460	33.00%	$6,361	
$5,001-10,000	69,346	26.55%	($4,301)	122,929	47.06%	$193	68,935	26.39%	$7,270	
$10,001-15,000	68,935	37.03%	($6,451)	61,876	37.60%	$272	41,762	25.38%	$7,356	
$15,001-20,000	42,642	41.98%	($8,161)	32,585	32.08%	$240	26,349	25.94%	$8,912	
$20,001-25,000	26,762	41.44%	($9,476)	21,468	33.24%	$638	16,353	25.32%	$9,031	
$25,001-30,000	16,763	41.30%	($11,164)	13,293	32.75%	$492	10,528	25.94%	$13,488	
$30,001-35,000	10,940	40.70%	($11,971)	7,352	27.41%	$518	8,528	31.80%	$9,036	
$35,001-40,000	8,295	45.05%	($13,758)	4,529	24.60%	$364	5,588	30.35%	$9,919	
$40,001-45,000	6,529	43.88%	($14,981)	3,764	25.30%	($70)	4,587	30.83%	$9,612	
$45,001-50,000	4,050	49.64%	($16,212)	1,412	17.27%	$904	2,706	33.09%	$10,627	
$50,001-60,000	4,411	38.07%	($20,449)	4,235	36.55%	$522	2,941	25.38%	$10,434	
$60,001-70,000	2,530	42.16%	($21,200)	2,059	34.31%	$869	1,412	23.53%	$19,449	
$70,001-80,000	1,295	42.32%	($30,270)	1,118	36.54%	$1,735	647	21.14%	$19,498	
$80,001-100,000	707	27.31%	($33,960)	1,353	52.26%	$2,214	529	20.43%	$17,413	
Total	**286,623**	**25.46%**	**($7,546)**	**497,481**	**44.19%**	**$216**	**341,792**	**30.36%**	**$7,313**	**1,125,896**

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APPENDIX C

IMPACT OF OFFICE OF POSTSECONDARY EDUCATION'S PRIOR, PRIOR YEAR PROPOSAL AT A PUBLIC INSTITUTION

Analysis of OPE's Prior Prior Year (PPY) Proposal*

Impact at a Public Institution

PPY ('95) Income Range	Number of Applicants	Cases where PPY Overestimates PY Income: n	Cases where PPY Overestimates PY Income: mean income decline	Cases Where PPY Underestimates PY Income: n	Cases Where PPY Underestimates PY Income: mean income increase	Total Cases Requiring Recalculation: n	Total Cases Requiring Recalculation: %
Dependent Students							
$0-10,000	1,200	0		369	$13,429	369	31%
$10,001-20,000	1,570	201	($8,092)	408	$12,251	608	39%
$20,001-30,000	1,600	254	($9,894)	400	$12,507	654	41%
$30,001-40,000	1,265	242	($12,115)	364	$11,551	606	48%
$40,001-50,000	1,175	222	($13,492)	369	$11,590	591	50%
$50,001-60,000	975	183	($15,262)	319	$12,580	502	51%
$60,001-70,000	770	171	($17,580)	251	$12,172	423	55%
$70,001-80,000	545	134	($18,312)	184	$13,183	318	58%
over $80,001	900	188	($27,310)	196	$21,673	384	43%
Total	**10,000**	**1,573**	**($14,906)**	**2,882**	**$12,904**	**4,455**	**45%**
Independent Students							
$0	380	---	---	207	$4,670	207	54%
$0-5,000	1405	139	($2,139)	464	$6,361	603	43%
$5,001-10,000	1160	308	($4,301)	306	$7,270	614	53%
$10,001-15,000	730	270	($6,451)	185	$10,111	455	62%
$15,001-20,000	450	189	($8,161)	117	$8,912	306	68%
$20,001-25,000	285	118	($11,123)	72	$14,301	190	67%
$25,001-30,000	180	74	($11,104)	47	$13,488	121	67%
$30,001-35,000	120	49	($12,085)	38	$9,036	87	73%
$35,001-40,000	80	36	($13,758)	24	$9,919	60	75%
$40,001-45,000	65	29	($14,981)	20	$9,612	49	75%
$45,001-50,000	35	17	($16,212)	12	$10,627	29	83%
$50,001-60,000	50	19	($22,080)	13	$12,102	32	63%
$60,001-70,000	30	13	($21,200)	7	$19,449	20	66%
$70,001-80,000	15	6	($30,279)	3	$19,498	10	63%
over $80,001	15	4	($34,969)	3	$17,413	7	48%
Total	5000	**1,273**	**($7,752)**	**1,518**	**$7,285**	**2,790**	**56%**

Total Applicants	**15,000**
Total Requiring Recalcuation	**7,246**
% Requiring Recalculation	**48%**

* Based on national application frequency distributions and means supplied by the Department of Education

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